



GREATER NASHVILLE  
**REGIONAL COUNCIL**

Angie Hubbard | October 2, 2019

# Opportunity Zones

## Positioning Communities for Investment

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NCD A Region IV Conference



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**GNRC:**

**An Economic Development District**

# History of TN Development Districts

## Regional Planning and Economic Organizations Owned and Operated by the Cities and Counties of Tennessee

The nine development districts in Tennessee were established by the general assembly under the Tennessee Development District Act of 1965. In the 1960s, many federal programs required coordination between two or more local governments, and the act was intended to provide the most efficient and effective means for cities and counties to utilize federal, state, and other programs designed to stimulate economic development.

The economic development staff of each agency perform many of the tasks originally envisioned by state enabling legislation, such as assisting local governments in applying for and administering state and federal grants; creating regional economic development plans; providing assistance to small businesses; facilitating partnerships; and supporting housing, tourism, and other programs.



# TN Development Districts



1. Memphis Area Association of Governments
2. Northwest Tennessee Development District
3. Southwest Tennessee Development District
4. Greater Nashville Regional Council
5. South Central Tennessee Development District

6. Upper Cumberland Development District
7. Southeast Tennessee Development District
8. East Tennessee Development District
9. First Tennessee Development District

# Federally-Designated Economic Development District

## Economic Development District

GNRC is designated by the U.S. Department of Commerce Economic Development Administration (EDA) as the Economic Development District (EDD) for Northern Middle Tennessee. EDDs are responsible for creating and maintaining a Comprehensive Economic Development Strategy (CEDS). The CEDS is the cornerstone of the EDA's grant programs and serves as a means to engage community leaders, leverage the private sector, and establish a strategic blueprint for regional collaboration on economic development efforts.

## Required Elements of the CEDS

1. *Summary Background:* Summary of economic conditions in the region.
2. *SWOT Analysis:* An in-depth analysis of the regional strengths, weaknesses, opportunities, and threats.
3. *Strategic Direction/Action Plan:* Strategies and actions built on the findings from the SWOT analysis and should incorporate elements from other regional plans and identify stakeholders responsible for implementation, timetables, and opportunities for the integrated use of other local, state, and federal funds.
4. *Evaluation Framework:* Performance measures used to evaluate the organization's implementation of the CEDS and impact on the regional economy.
5. *Economic Resilience:* Incorporate the concept of economic resilience (i.e., the ability to avoid, withstand, and recover from economic shifts, natural disasters, etc.)

HUD encourages coordinated local planning efforts between the Con Plan and CEDS. The Con Plan Market Analysis Section, MA-45, specifically refers to the CEDS.

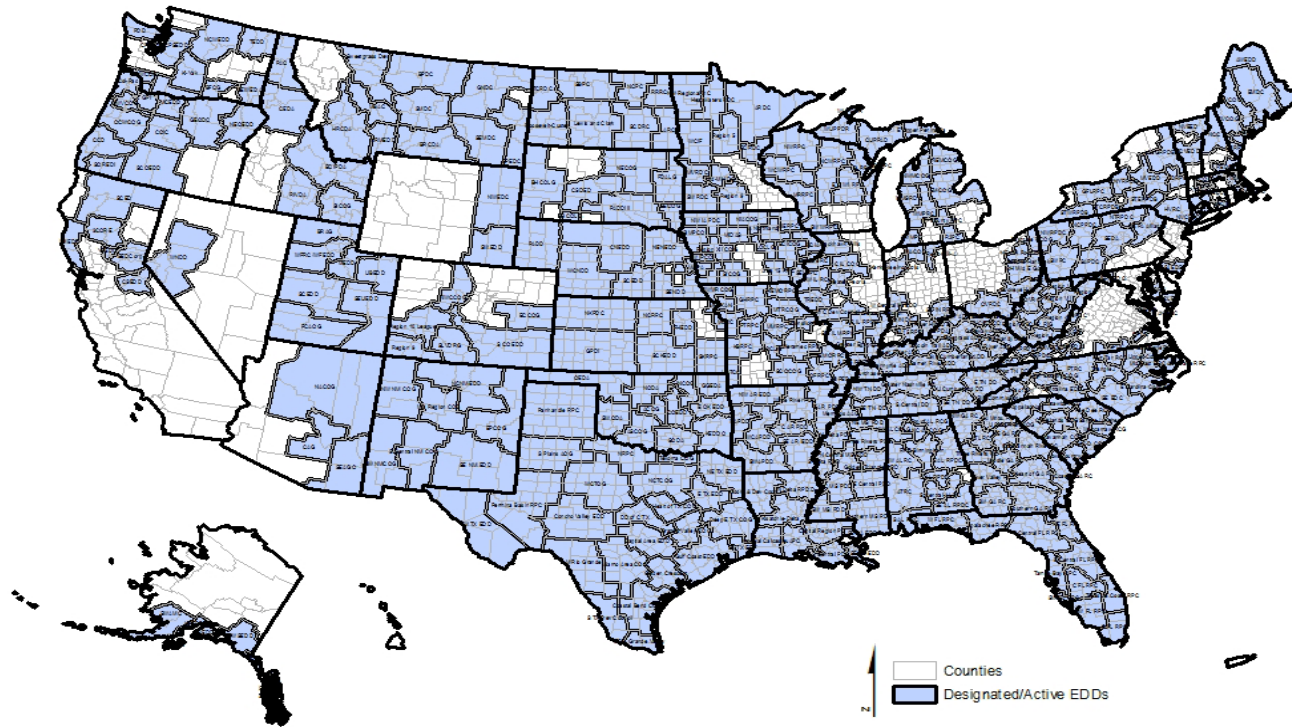
# Find Your EDD

<https://www.eda.gov/edd/>



US Department of Commerce  
Economic Development Administration

## ***Economic Development Districts (EDDs)*** *March 2019*





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## Opportunity Zones: Background & Overview

# Background

- Enacted as part of the Tax Cuts and Jobs Act of 2017.
  - Tax incentives to reinvest unrealized capital gains in certain property and businesses located or operating in low-income census tracts designated by the Treasury Dept. as Opportunity Zones.
- States had a window in which to nominate 25% of eligible census tracts as OZs.
  - Final round of Qualified Opportunity Zones (QOZs) were certified by Treasury on June 14<sup>th</sup>.
- QOZs retain designation for 10 years (12/31/2028).



# QOZs in TN

- TN = 176 QOZs in 75 counties
  - GNRC Region = 31 QOZs in 8 counties

Cheatham = 1

Davidson = 18

Dickson = 1

Houston = 1

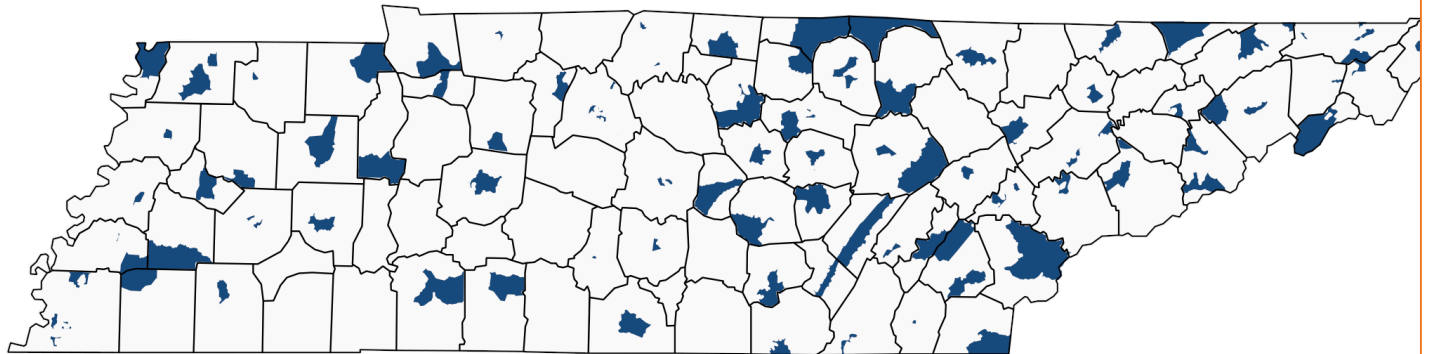
Montgomery = 4

Rutherford = 3

Stewart = 1

Sumner = 2

**Tennessee's Opportunity Zones**



<https://www.tn.gov/ecd/opportunity-zones.html>



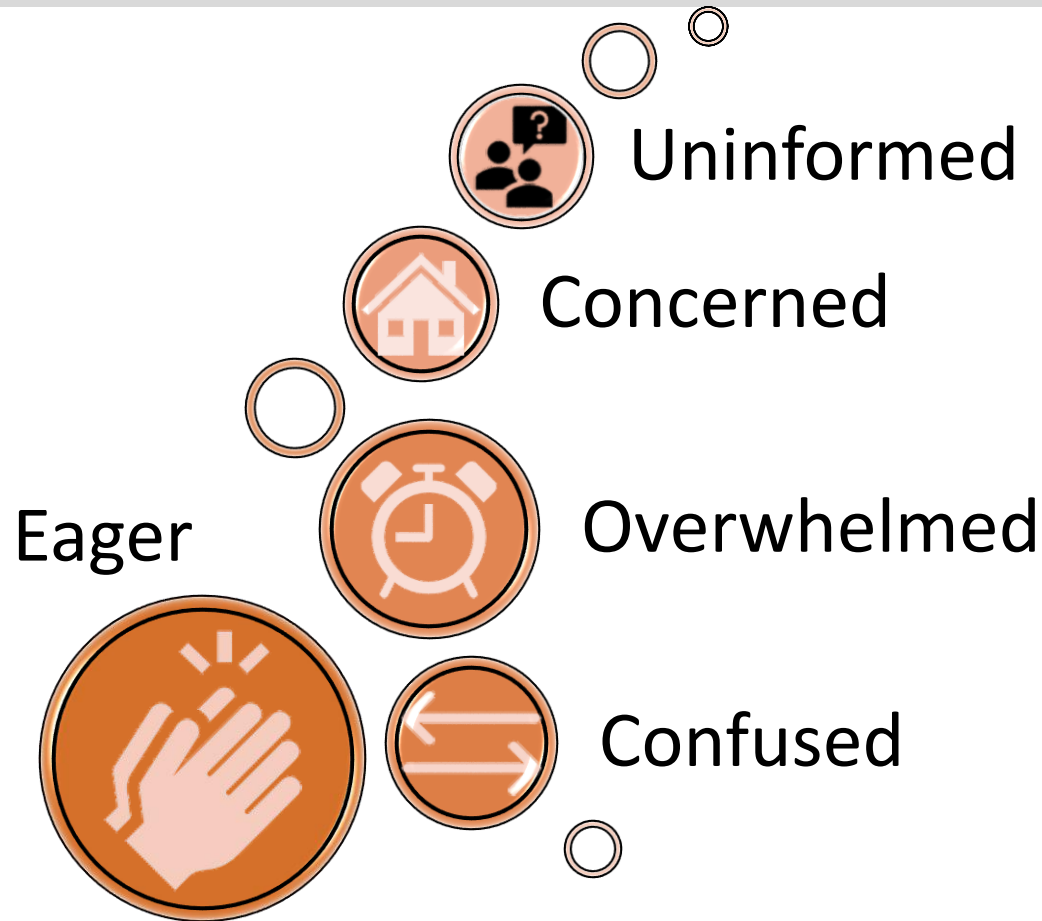
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# Positioning Our Communities: GNRC Strategy

# Initial Reaction



# Setting Expectations

- **We will**
  - Address concerns and feedback
  - Be a resource for our communities
  - Create a platform for attracting investment.
- **We will not**
  - Provide tax advice or information on creating Opportunity Funds
  - Evaluate proposed projects, conduct due diligence, or determine if projects meet the standard of a qualified property or business
  - Recommend CPAs, law firms, real estate brokers, etc.

# Deliverables

## Educate

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- Mayors & ED professionals
- Stakeholders (fact sheets, newsletter)
- Staff (current on OZ news, training)

## Convene

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- Community workshops
- Regional sector leaders (Bankers, Brokers, Developers)
- Peers (Development Districts)

## Host

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- Landing page
- Potential properties
- Opportunity Fund Directory

# Deliverables (continued)

## Profile

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- Basic attributes
- Community assets
- Local plans

## Map

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- Base mapping
- Story maps
- Potential projects

## Track

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- Investments
- Job creation
- Housing impact

# QOZ Profiles

Narrative	Economic & Demographic Data	Key Takeaways
<ul style="list-style-type: none"><li>• Community Character</li><li>• Proximity to Nashville and/or Growing Communities</li><li>• Local Support for Development</li><li>• Local Master Plans &amp; Housing Authority Master Plans</li></ul>	<ul style="list-style-type: none"><li>• Job Growth</li><li>• Wage Growth</li><li>• Unemployment</li><li>• Population Growth</li><li>• Employment Sectors</li><li>• Educational Attainment</li><li>• Labor Force</li><li>• Race</li><li>• Age</li><li>• Median Income</li><li>• Property Values</li></ul>	<ul style="list-style-type: none"><li>• Goal: Attract Investment by Showing ROI Potential with Minimal Risk</li><li>• Opportunity Zones, by definition, are depressed areas</li><li>• Need to compare ours to other eligible tracts to show how ours are better poised for development</li><li>• Need to highlight their proximity to strong, nearby tracts or neighborhoods</li></ul>

# Example: Community Character

## OUR WEST BAYFRONT DISTRICT

### Strategy for Our West Bayfront District

#### Residential

- A range of residential initiatives are required to help boost the existing housing stock that forms the foundation of this area. These include addressing blighted and vacant homes, supporting renovation and preservation initiatives, and identifying opportunities for new infill construction

#### Parks and Public Spaces

- This can include the provision of new and upgraded facilities as well as the development of recreation-based programming for all ages in the community

#### Infrastructure

- This includes the consideration of upgrades to sidewalks and spaces for pedestrian movement, the provision of facilities for bicycles and transit users, and changes to roadway and traffic patterns to improve how people within and outside of the community experience its neighborhoods, parks and businesses

#### Social / Programming

- Neighborhood service strategies will focus on unmet needs within the neighborhood. These can be physical or programmatic in nature, and have the potential to incorporate a wide range of community needs. The ability to group multiple services in a specific area or building can support a more efficient use of resources

#### Local Business

- The creation of a commercial corridor where investment can be focused, as well as programs to support small businesses (storefront programs, small business loans, etc.) can help the neighborhood to be a more complete and supportive place



OUR  
WEST  
BAY  
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.ORG



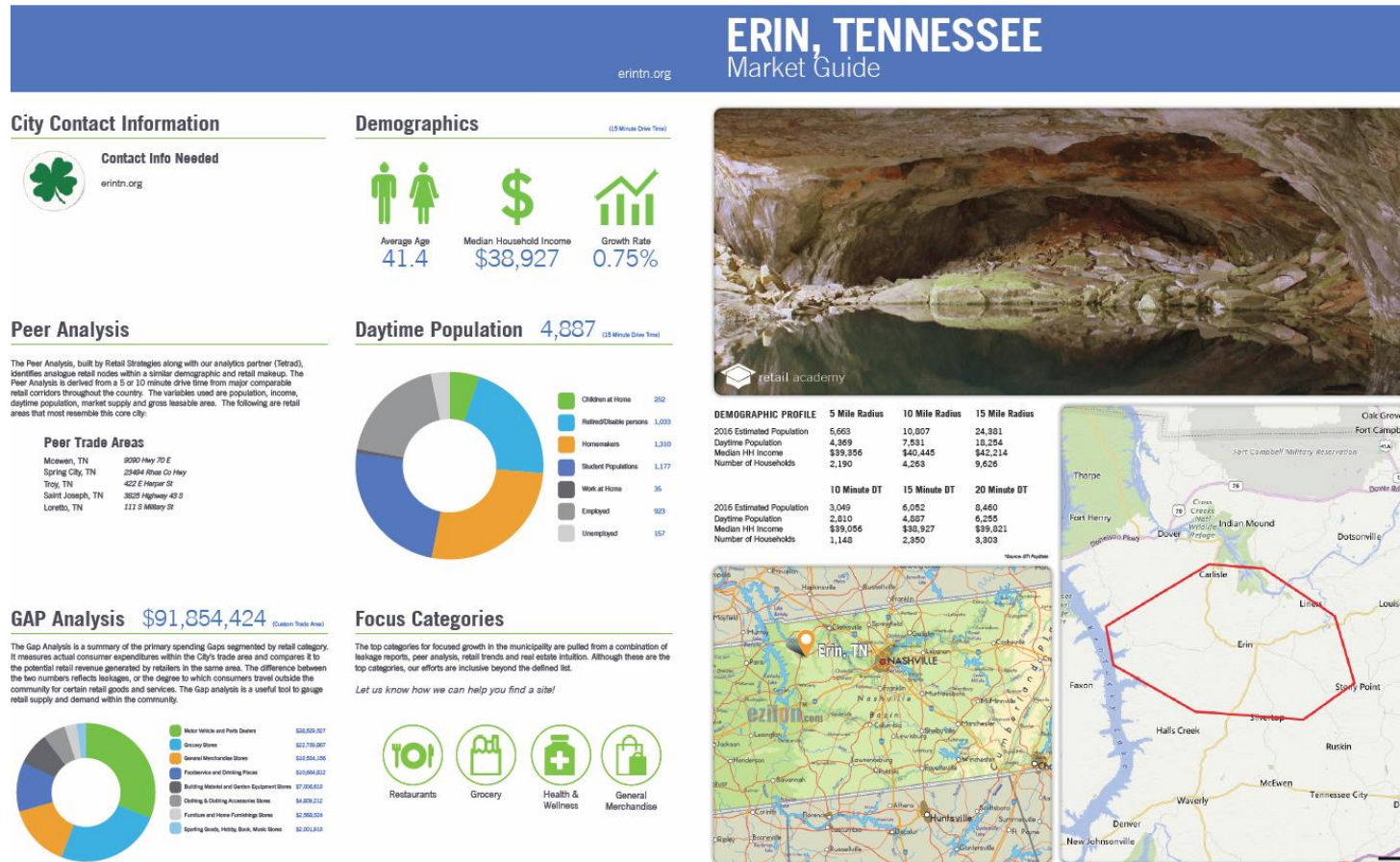
# Example: MSA Strength

## LOUISVILLE METRO ECONOMY

Louisville's economy has performed well over the past decade



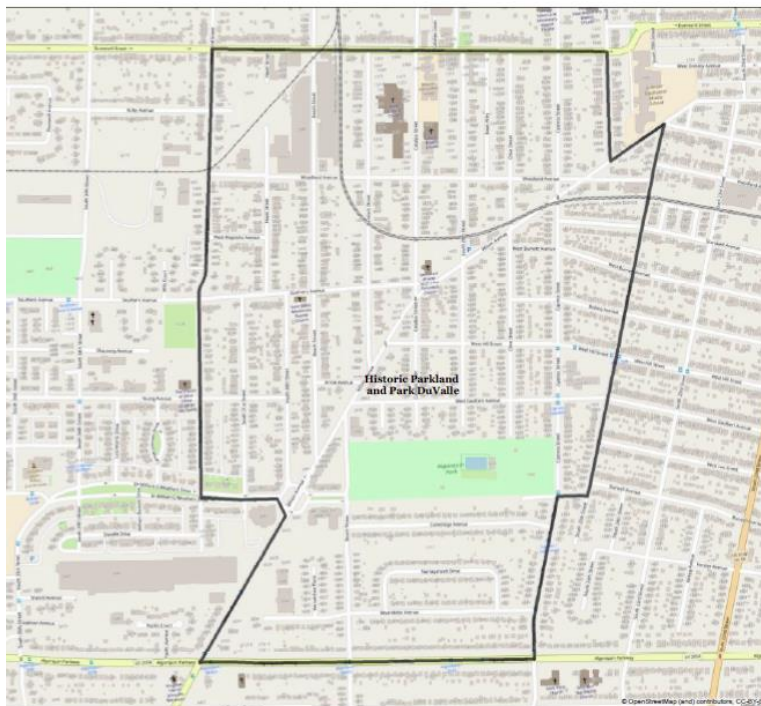
# Example: Highlight Proximity Strengths



# Example: Neighborhood Data

## HISTORIC PARKLAND AND PARK DUVALLE

Vibrant and historic neighborhoods ripe for retail and commercial investment



### ZONE TYPOLOGY TYPE\*

Residential

### OPPORTUNITY ZONE JOBS

2015: 197

2010: 336

-41% change

### TOP 3 INDUSTRIES

1. Manufacturing (61%)
2. Retail Trade (24%)
3. Health Care and Social Assistance (8%)

### OPPORTUNITY ZONE RESIDENTS

2016: 3,024

2010: 3,072

0% change

### VACANT RESIDENTIAL PROPERTIES

Q42017: 279 (17%)

### VACANT BUSINESS PROPERTIES

Q42017: 5 (10%)



# Example: MySidewalk Potential

<https://reports.mysidewalk.com/fd807ec30f>

## LOUISVILLE BY THE RANKINGS

### CITY OF PRIDE

Human Rights Campaign  
perfect score four years  
running



### FORBES

#1 City for Manufacturing  
(2017)  
“Aging Care Capital”  
with Largest Cluster of  
Aging Care Businesses  
(2018)

### 2017 & 2018 SMARTASSET

Top 10 City for Lowest Start-  
up Costs  
Top city for new college  
grads & women in  
technology  
Top 15 cities where  
Millennials are moving

### 2018 LENDING TREE

Highest proportion of  
Millennial founders  
among cities with the  
youngest  
entrepreneurs

### 4TH OUT OF 15 PEER CITIES

2016 Labor Force  
Participation of young  
workers (25-44 year-  
olds)

# Mapping Features

## Public

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- City Limits
- Zoning
- Neighborhood/Character Areas
- TIF/Redevelopment Districts
- SBA HUB Zone
- Historic/Conservation Overlays
- Greenways/Trails

## Economic

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- Large Employers
- Recent Building Permits
- Story Maps w/ Plans, Renderings, & Assets
- Submitted Potential Projects
- For Sale Properties

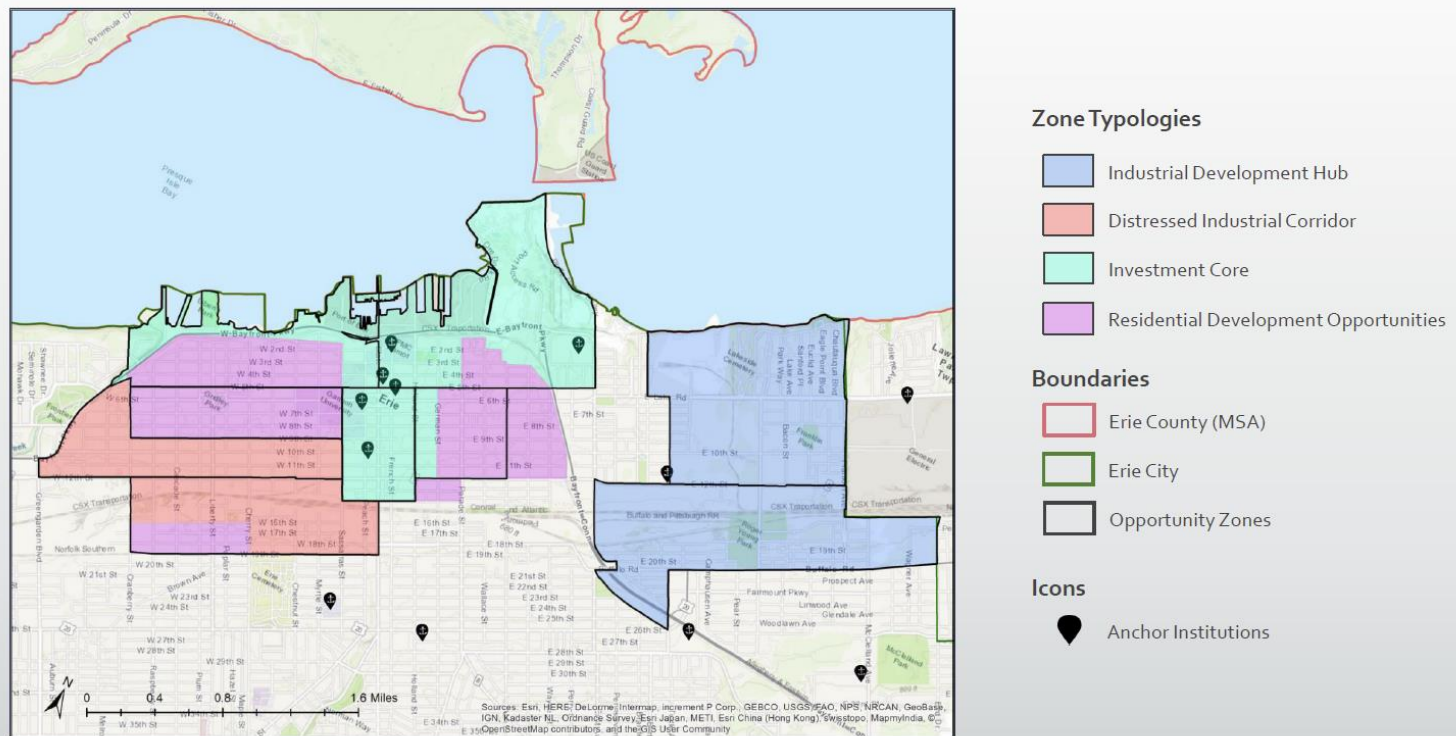
## Assets

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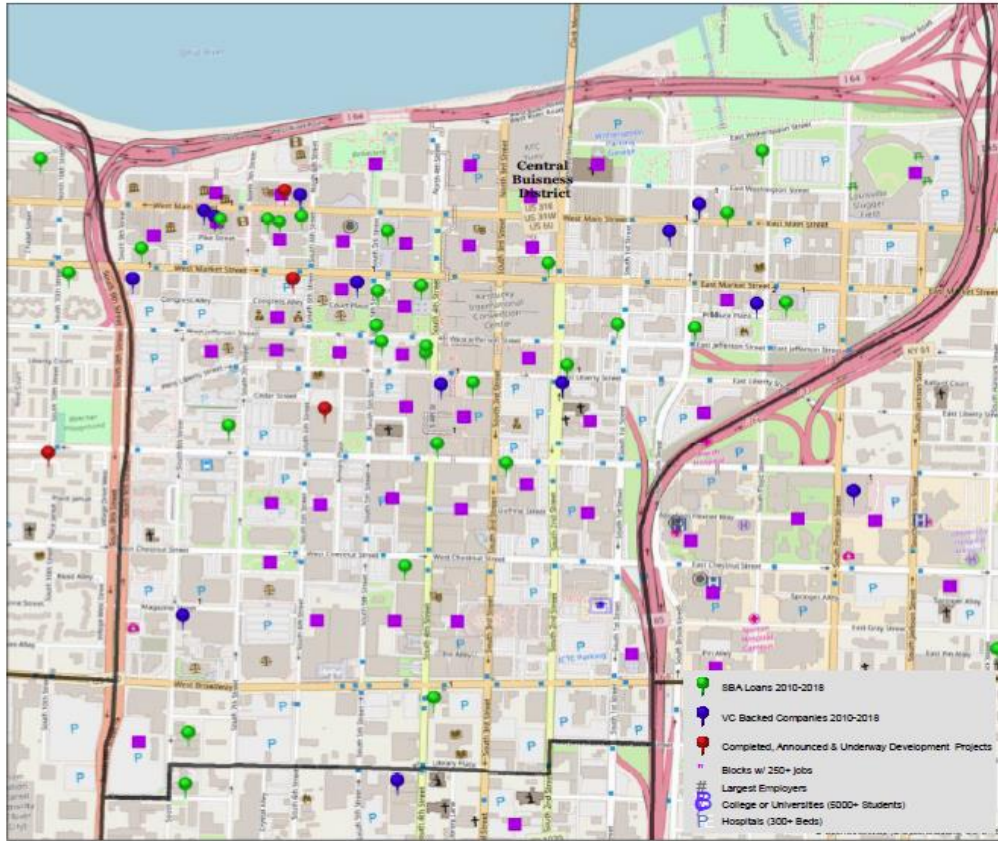
- Hospitals
- Colleges & Universities
- K-12 Schools
- Industrial Parks
- Parks & Recreation Areas
- Housing impact
- Transit Stations
- Tourist Attractions

# Example: Neighborhoods/Character Areas

## TYPOLOGY VISUALIZATION BY CENSUS TRACTS



# Example: Assets



## Louisville Central Business District

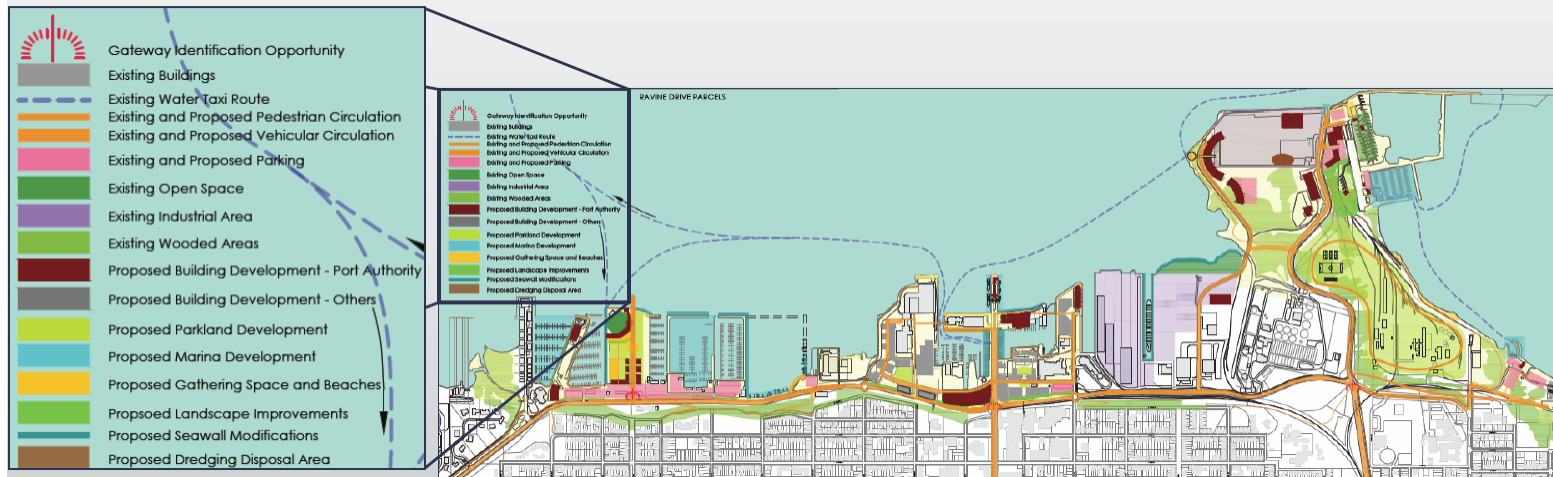
- Map is static .pdf format
- We can do better

# Example: Story Map with Plans & Renderings

## ERIE-WESTERN PENNSYLVANIA PORT AUTHORITY

### EWPPA Strategy

- The Port completed a Master Development and Facilities Plan in the fall of 2017 that identified 8 areas to capitalize on for future investment
- The first will act to expand the area as a tourist destination by enhancing Dobbins Landing
- Another aims to relocate boat storage to more suitable areas and enhance boater services
- Liberty Park, a waterfront and outdoor amphitheater venue, is planned for improvement to allow for big name entertainment opportunities
- Future development potential includes redevelopment of McAllister's land to accommodate expanded and unique retail uses including artist gallery and fish market





# *Example: Maryland Information Exchange*

<https://maryland.maps.arcgis.com/apps/opsdashboard/index.html#/0d070816f1964ca79ba89327f97388c3>



# Project Hosting

## Data Input

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- Government
- Nonprofit
- O Fund
- Developer/Business

## Important Fields

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- Name & Contact Info
- Website
- Industry/Classification
- Listing Description
- Listing Location (Lat/Long & Full Address)
- Jurisdiction Drop Down
- Project/Fund Size (\$)
- Capital Sought & Raised
- Fund Target Investment
- Date
- Photo

## Key Takeaways

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- Create a place for investors, O Funds, public sector officials, and developers to find each other's projects and opportunities
- We cannot routinely monitor this or vet projects

# Example: Data Input Forms

## Louisville

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- <https://louisvilleky.wufoo.com/forms/kzd6v3x13ol8kc/>



## Maryland

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- <https://survey123.arcgis.com/share/b07d049e9000423bb90ffca5c98dfc0>



## GNRC

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- <https://survey123.arcgis.com/share/c0c5d0657db94961ab09ed5064d574c8>



# *Example: Project Hosting Application*

<https://maryland.maps.arcgis.com/apps/opsdashboard/index.html#/0d070816f1964ca79ba89327f97388c3>



# Gathering the Data & Obtaining Feedback

- Nashville Area Chamber of Commerce
- GNRC Research and Analytics
- City/County Participation
- Stakeholder Meetings
- Test Group

# The Final Product

<https://www.greaternashvilleqoz.org/>